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Department of State

INFO: BRASILIA, RIO DE JANEIRO

Amconsul SAO PAULO

May 21, 1969

Bank Robberies, Terrorism and Violence

SUMMARY

Since 1967 Sao Paulo has experienced a dramatic increase in bank robberies, terrorism, and during the past year, activity by the so-called Death Squad. To date some members of four gangs have been arrested; of these at least two had as their primary purpose subversion, although they also participated in bank robberies. The São Paulo State Secretary of Public Security released on May 14 statistics showing the increase in bank robberies.

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1. Increase in Robberies. During 1966 and 1967, according to information released to the press on May 14 by the São Paulo State Secretary of Public Security, there were a few minor robberies, principally of clients of banks, rather than of banks themselves. Beginning in February 1968 the frequency of bank robberies began an upward climb. Between February 1 and December 31, 1968, one payroll train, 5 payroll cars and 11 banks were robbed for a total of NCr\$930,000. During first four and one-half months of 1969 seventeen banks and one exchange house were robbed of a total of about NCr\$900,000. Thus the incidence of robberies has doubled in 1969 over 1968.

2. Increase in Violence. There is also an increase in the use of violence in the robberies. Whereas in 1968 only one person was wounded and no

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one was killed in the robberies, in 1969 thus far eight persons have been wounded and three killed. During 1968 there were 31 bombings carried out in São Paulo, including that of the USIS library.

3. Death Squad. Another form of violence and disregard for the law was embodied in executions carried out by the so-called "Death Squad" in São Paulo. Approximately 40 executions of criminals, most of whom were said to have had extensive police records, were carried out in São Paulo during the first four months of 1969. Although the State Secretary for Public Security denied to the press that members of the police composed the Death Squad, other sources, including some lower-level police officials, insist that the police are behind the executions. It is interesting to note that since a Time article appeared last month alleging that the Death Squads of São Paulo and Rio de Janeiro were composed of police, the Squad in São Paulo has ceased its activities, for the time being at least.

4. Robberies and Terrorism. Police have arrested some members of four different groups. These men have confessed that their groups carried out thirteen of the total of 35 robberies perpetrated during 1968 and 1969. Some of the men arrested belonged to Captain Carlos LAMARCA's left-wing VPR terrorist group, members of which murdered U.S. Army Captain Charles Chandler and carried out a number of terrorist bombings and killings, as well as bank robberies. The police are reportedly now making a major effort to capture Captain Lamarca and the remainder of his gang.

5. A second group headed by Sabado DINOTOS, alias Aladino FELIX, had a right-wing orientation. Dinotos was the author of the note to President COSTA E SILVA warning of a planned coup to take place when Carlos LACERDA came to São Paulo on January 26, 1968. As a result of his warning the First, Second and Third Armies were placed on "alert."

6. Dinotos concurrently was organizing a group to carry out bombings and other acts of terrorism which, he later confessed, were designed to force the GOB into action against leftist subversion. Dinotos and 26 members of his group, including retired Army General Paulo TRAJANO, were arrested in August and September 1968 by the São Paulo DOPS (Department of Social and Political Order). Dinotos confessed to planning 14 of the bombings. A member of his group carried out one bank robbery. Initial reports were that Dinotos had implicated more than a hundred other persons. However, after one day of testimony before a civilian court in which he said he was getting

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his orders from military men in Rio de Janeiro and Brasilia, the case was taken away from the local police and no more was heard of it, except that Dinotos was released from jail on December 15, 1968, and has disappeared.

involved in bank robberies and holdups,

7. The other two groups/ some members of which have been arrested, appear to have had purely profit motives and were not political in nature.

8. There are indications that part of the inspiration and some of the training for subversive activity in Brazil came from Cuba. Dissident Communist leader Carlos MARIGHELLA attended the First Latin American Solidarity Organization (LASO) Conference in mid-1967 and apparently received some financial aid and possibly some training for members of his organization. Captain Lamarca is reportedly a member of Marighella's group. One of the men who have been arrested reportedly received training in Cuba before he joined Lamarca's group.

9. Comment: It is ironic that during the fourth and fifth years after a "revolution" intended to eliminate Communism and subversion from Brazil there should erupt in São Paulo for the first time organized subversion characterized by bombings, assassinations and bank robberies. The existence of the Death Squad is also evidence of a tendency to settle matters by violence (whether one accepts or not the allegations that the police are carrying out the executions). Radicalism of both the Left and the Right has increased in São Paulo in 1968 and 1969. While part of the inspiration and ~~possibly~~ assistance for subversion may come from abroad, conditions in Brazil appear to be conducive to its growth. The Consulate General has been warned repeatedly by political contacts during the past two years that (1) the policies and lack of direction of the Costa e Silva government would lead to a dictatorship; and (2) that violence and a growth in strength of the clandestine opposition would result as a reaction to a repressive government.<sup>§</sup> ~~The first of these predictions has come true and the second may now be coming true. Despite the assertions made by some persons that Brazil is not ready for democracy, recent developments cause one to reflect that democracy may yet be the best type of governmental system to oppose Communism. As further evidence, one might cite the administrations of popularly-elected ex-Mayor Faria Lima of São Paulo, and of Governor Pedro Pedrossian of Mato Grosso who provided the best governments observers have seen in recent Brazilian history in Sao Paulo and Mato Grosso.~~

<sup>§</sup> Reports in which political contacts have outlined their fears of dictatorship, radicalization and the growth of violence are listed below:

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São Paulo's SP-7, December 22, 1967

São Paulo's Memcon, March 14, 1968, "Views of MDB Minority Leader Concerning National Problems"

São Paulo's SP-25, April 11, 1968 (enclosure to Brasilia's A-233)

São Paulo's Memcon, May 29, 1968, "Increasing Radicalization"

São Paulo's Memcon, July 30, 1968, "Recent Strikes in Sao Paulo"

São Paulo's Memcon, August 14, 1968, "Views of Dominican Priest...."

São Paulo's Memcon, September 15, 1968, "Former Brazilian Navy Officer's Opinions Concerning Growth of Communist Influence...."

São Paulo's Tel 2420, September 20, 1968, "Governor Sodre Discusses Extremists"

São Paulo's Memcon, December 18, 1968, "Fifth Institutional Act"

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